

**MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

October 15, 2013

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, October 15, 2013 at approximately 8:40 a.m. at the CHA Corporate Offices, 60 East Van Buren, Room 1201 in Chicago, IL.

Chairwoman Z. Scott called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Dr. Mildred Harris Harriet Johnson Myra King Jack Markowski Bridget Reidy Rodrigo Sierra Z. Scott
Absent:	Deverra Beverly Adela Cepeda Mark Cozzi

Also present were Scott Ammarell, Chief Legal Officer; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon Motion made by Chairwoman Scott and properly seconded by Commissioner Harris, the Commissioners adjourned to Executive Session. Chairwoman Scott announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately an hour to discuss personnel related matters, pending, probable or imminent litigation and audit reviews.

The Commissioners subsequently reconvened in Open Session and upon roll call, those present and absent were as follows:

Present:	Dr. Mildred Harris Harriet Johnson Myra King Jack Markowski Bridget Reidy Rodrigo Sierra Z. Scott
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Absent:

Deverra Beverly
Adela Cepeda
Mark Cozzi

There being a quorum present, the meeting duly convened and business was transacted as follows:

Based on CHA By-Laws, and in accordance with the Open Meetings Act, if a quorum of the Commissioners is physically present at any meeting, a majority of the quorum may allow a Commissioner to attend a meeting by electronic means if the Commissioner is prevented from physically attending due to personal illness or employment purposes. Since Commissioner Cepeda was unable to be in attendance at the meeting, upon motion made and properly seconded, the attending Commissioners voted unanimously to allow Commissioner Cepeda to continue participating in the meeting via telephone.

Also present were Scott Ammarell, Chief Legal Officer; Chicago Housing Authority Staff Members and the General Public.

After Motion Made by Commissioner Sierra and seconded by Commissioner Reidy the following Minutes were unanimously approved as submitted: Closed Meeting of August 26, 2013; Special Personnel Committee Meetings of September 5, 2013, Special Board Meetings of September 11, 2013 and regular Board meetings of September 17, 2013.

Commissioner Scott then introduced the items discussed in Executive Session. Commissioner Reidy then presented an Omnibus Motion for approval of Items 1 and 2:

(Item 1)

RESOLUTION NO. 2013-CHA-81

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated October 15, 2013, entitled “AUTHORIZATION TO AWARD GAUTREAUX PLAINTIFF’S COUNSEL BUSINESS AND PROFESSIONAL PEOPLE FOR THE PUBLIC INTEREST (“BPI”) ATTORNEYS’ FEES AND EXPENSES FOR THE PERIOD OF 2011 AND 2012”, requesting authorization to award BPI attorneys’ fees and expenses.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Legal Officer, or his designee, the payment of Gautreaux litigation attorney’s fees to Gautreaux Plaintiff’s Counsel, Business and Professional People for the Public Interest (“BPI”) for the period of 2011 and 2012, in the amount of \$800,000 of attorneys’ fees and expenses.

(Item 2)

RESOLUTION NO. 2013-CHA-82

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated October 15, 2013 titled “AUTHORIZATION TO ENTER INTO A SETTLEMENT AGREEMENT WITH ORACLE CORPORATION TO PROVIDE CHICAGO HOUSING AUTHORITY WITH SUPPLEMENTAL ORACLE DATABASE ENTERPRISE EDITION LICENSES AND SUPPORT”,

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to enter into a settlement agreement with Oracle Corporation to provide Chicago Housing Authority with supplemental Oracle Database Enterprise Edition licenses and support, in an amount not to exceed \$159,362.50.

The Motion to adopt resolutions for Items 1 and 2 was seconded by Commissioner Sierra and the voting was as follows:

Ayes:

Adela Cepeda
Dr. Mildred Harris
Harriet Johnson
Myra King
Jack Markowski
Bridget Reidy
Rodrigo Sierra
Z. Scott

Nays:

None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Harriet Johnson then presented the report of the Personnel Committee. Per Commissioner Johnson, the Personnel Committee meeting was held on Monday, October 7th at 9:00 a.m. at the CHA Corporate Offices. The Committee discussed, voted and recommended for Board approval the two items appearing on the Agenda. Both items were also presented and discussed with the full Board at today's Closed meeting.

On behalf of the Personnel Committee, Commissioner Johnson then presented an Omnibus Motion for approval of Items 3 and 4:

(Item 3)

RESOLUTION NO. 2013-CHA-83

WHEREAS, The Board of Commissioners has reviewed staff memorandum dated October 7, 2013 entitled "ACCEPTANCE OF PERSONNEL ACTION REPORTS FOR THE MONTH OF SEPTEMBER, 2013", and concurs in the recommendation contained therein;

THEREFORE BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the personnel actions contained in the personnel reports for the period September 1, 2013 thru September 30, 2013 is hereby accepted.

(Item 4)

RESOLUTION NO. 2013-CHA-84

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 15, 2013, entitled "Approval of Personnel Actions":

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the requested personnel actions.

The Motion to adopt resolutions for Items 3 and 4 was seconded by Commissioner Markowski and the voting was as follows:

Ayes:

Adela Cepeda
Dr. Mildred Harris
Harriet Johnson
Myra King
Jack Markowski
Bridget Reidy
Rodrigo Sierra
Z. Scott

Nays:

None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Mildred Harris, Chairwoman of the Tenant Services Committee, then presented her report. Per Commissioner Harris, the Tenant Services Committee meeting was held on Wednesday, October 9, 2013 at approximately 1:00 p.m. at the 60 E. Van Buren Corporate Offices. On behalf of the Tenant Services Committee, Commissioner Harris presented an Omnibus Motion for the approval of Items 5 and 6.

(Item 5)

There were four Workforce Services contracts approved by CHA's Tenant Services Committee on August 14, 2013. However, this item for Chicago Urban League was not approved by the full Board at the August or September Board meetings due to lack of quorum. In order for the contract terms to be consistent for all four workforce contracts, and to ensure there is no interruption in services for CHA families, the Chicago Urban League's Transitional Jobs (TJ) program started on October 1, 2013. Therefore, following consultation with the CHA Board Chair and the Chair of the Tenant Services Committee, Item 5 is being presented as a ratification. The TJ program is an evidence-based program model that leads to sustained unsubsidized employment. The TJ model is designed to address the employment needs of individuals who possess little or no work history. TJ has distinct differences from other jobs programs, including supportive services, a literacy component, subsidized work experience, support during transition to unsubsidized employment and retention support after job placement. The subsidized job period typically lasts between six and ten weeks, and wages are paid by CHA's workforce provider. The ultimate goal of TJ is to transition workers into unsubsidized positions. Chicago Urban League has existing relationships with employers and will focus on high growth industries.

Madam Chair abstains from voting on Item 5 only.

RESOLUTION NO. 2013-CHA-85

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 15, 2013 entitled "AUTHORIZATION TO RATIFY THE CONTRACT WITH CHICAGO URBAN LEAGUE TO PROVIDE WORKFORCE DEVELOPMENT PROGRAMS TO CHA RESIDENTS";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to ratify the contract with Chicago Urban League to provide workforce development services to a total of 100 CHA residents per year for a base period of two years with two one-year options in an aggregate amount not to exceed \$760,540 for the base term.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.

(Item 6)

In accordance with the Funding for Tenant Participation Regulations, 24 CFR 964.150, the resolution for Item 6 approves extending the Interim Funding Agreement with the CAC for the period of October 1, 2013 through December 31, 2013. CAC was organized to serve as the duly elected jurisdiction-wide resident council to CHA on matters vital to the interest of the Residents living in CHA's family and senior housing Developments or Residential Properties. The Funding Agreement sets forth procedures governing the authorization, control and documentation of CAC expenditures and provides for reimbursement of expenditures by CHA.

RESOLUTION NO. 2013-CHA-86

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 9, 2013 entitled "AUTHORIZATION TO EXTEND THE INTERIM FUNDING AGREEMENT WITH THE CENTRAL ADVISORY COUNCIL";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to extend the Interim Funding Agreement (Contract No. 11294) with the Central Advisory Council ("CAC") in the amount of \$90,429 for the period of October 1 through December 31, 2013, for a new not-to exceed amount of \$552,083.

The Motion to adopt resolutions for Items 5 and 6 was seconded by Commissioner Markowski and the voting was as follows:

Ayes:	Adela Cepeda Dr. Mildred Harris Harriet Johnson Jack Markowski Bridget Reidy Rodrigo Sierra Z. Scott (<i>Abstained from voting on Item 5 only</i>)
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Nays:	Myra King
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Bridget Reidy, Chairwoman of the Operations and Facilities Committee, then presented her report. Per Commissioner Reidy, since there was not a quorum on Wednesday, October 9, 2013, the Operations and Facilities committee did not officially meet, however, Commissioners and the

public were briefed on the two items appearing on the agenda, and the items were open to comments and questions from Commissioners and the public, but for the record no vote was taken.

Commissioner Reidy then presented an Omnibus Motion for the approval of Items 7 and 8.

(Item 7)

On January 6, 2000, the CHA Board of Commissioners approved the Plan for Transformation, which called for sweeping changes in both the administration and operation of CHA. The Plan for Transformation was approved by HUD and incorporated into a Moving to Work (MTW) Demonstration Agreement, which was executed on February 6, 2000. On June 26, 2008, CHA executed an Amended and Restated MTW Agreement (Restated Agreement) between itself and HUD, which supersedes the original MTW Agreement. The Restated Agreement extends CHA's participation in the MTW Demonstration to the end of FY2018. CHA's continued participation in the MTW Program is contingent upon adherence to the requirements set out in the Restated Agreement, which includes submission of an Annual Plan. The document represents CHA's FY2014 MTW Annual Plan and details CHA's anticipated activities for FY2014. Per HUD guidelines, CHA has organized the discussions of activities in the FY2014 MTW Annual Plan under the following Sections: Introduction, General Housing Authority Operating Information, Non-MTW Related Housing Authority Information, Long-Term MTW Plan, Proposed MTW Activities – HUD Approval Requested, Ongoing MTW Activities - HUD Approval Previously Granted, Sources and Uses of Funds, and Administrative. Prior to submission of the FY2014 MTW Annual Plan to the Board, a 30-day public comment period was conducted wherein both residents and the public alike were able to submit comments orally and in writing, regarding the information contained in the proposed Plan. The public comment period ran from August 28 through September 27, 2013. During such time, on September 11, 2013, a public comment hearing was held. Prior to finalizing the FY2014 MTW Annual Plan, CHA gave consideration to comments received during the public comment period. To this end, CHA has complied with the requirements of the Restated Agreement and HUD regulations regarding annual plans. The resolution for Item 7 approves the submittal to HUF of the FY2014 MTW Annual Plan, and the form, CHA Certifications of Compliance with MTW Plan Requirements and Related Regulations.

RESOLUTION NO. 2013-CHA-87

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 9, 2013 entitled "AUTHORIZATION TO APPROVE THE FY2014 MOVING TO WORK ANNUAL PLAN

THEREFORE BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the FY2014 MTW Annual Plan, and the form, CHA Certifications of Compliance with MTW Plan Requirements and Related Regulations.

THAT, the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to approve any final changes to the FY2014 MTW Annual Plan. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

THAT, this approval of the FY2014 MTW Annual Plan supersedes any and all conflicting language found in prior CHA MTW Annual Plans.

THAT, the Board of Commissioners hereby grants authorization to submit the FY2014 MTW Annual Plan to the U.S. Department of Housing and Urban Development.

(Item 8)

The resolution for Item 8 approves submittal of a Portfolio Application to HUD under the Rental Assistance Demonstration (RAD) Program. RAD was established by HUD as a demonstration program to preserve public housing units in a safe and decent condition for residents. The program was developed by HUD with input from residents and advocates. RAD allows properties to receive their operating assistance through long-term Section 8 contracts. HUD has assessed that the Section 8 funding platform is more reliable than Section 9 funding which is more susceptible to Congressional appropriations. The Section 8 funds provided under RAD will make more funds available to rehabilitate, repair, and generally operate units without depending on additional money from Congress. In addition, RAD will offer residents greater choice and mobility. The authorization contained in this Board item is solely to submit RAD applications for the following 33 properties:

#	Address	Property	Units
1	1930 W. Loyola	Daniel Hudson Burnham Apts	181
2	1750 W. Peterson	Harry Schneider Apts	174
3	4945 N. Sheridan	Castleman Apts	201
4	4645 N. Sheridan	Ella Flagg Young Apts	235
5	1447 S. Ashland	William Jones Apts	116
6	1611 S. Racine	Las Americas Apts	212
7	150 S. Campbell	Alfreda Barnett Duster	129
8	440 N. Drake	Elizabeth Davis Apts	149
9	5670 W. Lake	Lorraine Hansberry Apts	169
10	3700 W. Congress	Irene McCoy Gaines Apts	151
11	3030 W. 21st Pl	Albany Terrace	350
12	5650 N. Kenmore	The Pomeroy	99
13	5040 N. Kenmore	The Kenmore	104
14	501 W. Surf	Britton Budd Apts	173
15	2111 S. Clark	Hilliard 1 Senior	59
16	2031 S. Clark	Hilliard 1 Family	94
17	30 W. Cermak	Hilliard 2 Senior	58
18	2030 S. Clark	Hilliard 2 Family	94
19	1311 N. Halsted	North Town Village 1	39
20	1414 N. Burling	North Town Village 2	40
21	3916 W. Washington Ave	Fannie Emanuel (Parkview)	181
22	1147 N. Cambridge St.	Parkside IIB Rental	40
23	1222 W. Roosevelt Rd.	Roosevelt Square	125
24	1222 W. Roosevelt Rd.	Roosevelt Square II	120
25	2433 W. Adams St.	Jackson Sq. at West End	57
26	2638 W. Monroe St.	West End	14
27	26387 W. Monroe St.	West End P2	65
28	654 E. 43rd St.	Langston	29
29	654 E. 43rd St.	Quincy	27
30	30 W. 40th Place	Hansberry Square	83
31	116 E. 43rd St.	Mahalia Place	54
32	4251 S. Indiana Ave.	Coleman Place	52
33	4448 S. State St.	Savoy Square	60
TOTAL			3,734

Future Board action will be required to enter into HAP agreements pending HUD approval of the Portfolio Application and RAD applications. A future list of approximately 31 additional properties consisting of approximately 7,200 units of senior and mixed-finance housing will be submitted as RAD Applications as part of this Portfolio Application pursuant to future board authorization.

RESOLUTION NO. 2013-CHA-88

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 15, 2013 entitled Authorization to 1) Submit a Portfolio Application to the Secretary of the US. Department of Housing and Urban Development (HUD) for rental assistance under the Rental Assistance Demonstration program (RAD) for approximately 64 properties; 2) submit to HUD property specific applications for 50% of the properties identified on the Portfolio application, and 3) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Submit a Portfolio Application to the Secretary of the US. Department of Housing and Urban Development (HUD) for rental assistance under the Rental Assistance Demonstration program (RAD) for approximately 64 properties; 2) submit to HUD property specific applications for 50% of the properties identified on the Portfolio application, and 3) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Motion to adopt resolutions for Items 7 and 8 was seconded by Commissioner Harris and the voting was as follows:

Ayes:

Adela Cepeda
Dr. Mildred Harris
Harriet Johnson
Myra King
Jack Markowski
Bridget Reidy
Rodrigo Sierra
Z. Scott

Nays:

None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted

Commissioner Jack Markowski then presented the report of the Finance Committee. Per Commissioner Markowski, since there was not a quorum on Wednesday, October 9, 2013, the Finance Committee did not officially meet, however, Commissioners and the public were briefed on the four items appearing on the agenda, and the items were open to comments and questions from Commissioners and the public, but for the record, no vote was taken.

Commissioner Markowski then presented an Omnibus Motion for the approval of Items 9 through 12.

(Item 9)

In June 2012, the CHA released Request for Proposal (RFP) to procure the professional services of a Human Resources Insurance Brokerage and Consulting firm. An insurance brokerage/consulting firm was needed to provide consulting services to Human Resources for the assessment, procurement, renewal and development of CHA's various employer sponsored insurance and employee benefits. Mesirow Insurance Services, Inc. was selected as the awardee for a firm fixed fee in the amount of \$83,905.00 for the initial base contract period of October 24, 2012 through October 23, 2013, with three (3) one-year option terms at a cost of \$80,531.50 per year. Mesirow has provided quality brokerage and consulting services for the assessment, procurement and renewal of CHA's employer sponsored employee benefit programs. Accordingly, the resolution for Item 9 approves the continuation of Mesirow's services for the first option year, and at the discretion of the CEO or his designee for the second and third option year periods.

RESOLUTION NO. 2013-CHA-89

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 9, 2013 entitled "AUTHORIZATION TO EXERCISE THREE, ONE-YEAR OPTIONS OF CONTRACT NO. 11174 WITH MESIROW INSURANCE SERVICES, INC., A DIVISION OF MESIROW FINANCIAL FOR INSURANCE BROKERAGE AND CONSULTING SERVICES;"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to exercise the first one-year option of Contract No. 11174 with Mesirow Financial for the period of October 24, 2013 to October 23, 2014 in the amount of \$80,531.50. The Board, subject to funding availability, also authorizes the CEO or his designee, at either of their discretion and annual review of contract performance, to exercise the second-year option for the period of October 24, 2014 through October 23, 2015 and third-year option for the period of October 24, 2015 through October 23, 2016, each for the amount of \$80,531.50, for a total amount not-to-exceed \$241,594.50 for all three option periods. The aggregate total of the base contact and the three (3) one-year options will be \$325,499.50.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.

(Item 10)

The CHA's current contracts for employee healthcare plan benefits with Blue Cross Blue Shield (medical and dental) and Lincoln Financial (AD&D, Life, STD and LTD) will terminate on December 31, 2013 and must be replaced effective January 1, 2014. HUD has previously authorized the CHA to utilize its insurance Broker of Record to solicit competitive insurance bids on behalf of the CHA. Mesirow Financial, the CHA's insurance broker for Employee Health Plan Benefits, directly solicited requests for insurance premium quotes from 18 top healthcare insurance providers in their respective fields, including the CHA's current healthcare benefit insurance providers, for employee medical, dental, AD&D, Life, STD and LTD. Letters requesting premium quotes, along with current data necessary for preparing insurance premium quotes, were delivered by Mesirow to the 18 healthcare insurance providers in June 2013 requesting submittal of proposals by June 17, 2013. Mesirow received three quotes for medical, five for dental, and four for life and disability. The alternate carriers for medical submitted quotes with large premium increases and were not competitive. All proposed quotes (e.g. medical 5.61 %, dental 1.9% and life/disability 7.32%) received for plan year 2014

represent an increase in premiums over plan year 2013 which are lower than the average trend of 9.5% to 11.5%. The estimated 2014 renewals are based on quoted premiums and the eligible staff headcount of projected participant levels for 2014.

RESOLUTION NO. 2013-CHA-90

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated October 9, 2013 entitled “AUTHORIZATION TO ENTER INTO CONTRACTS WITH BLUE CROSS BLUE SHIELD (MEDICAL), AND GUARDIAN (DENTAL, ACCIDENTAL DEATH & DISMEMBERMENT (“AD&D”), LIFE, SHORT TERM DISABILITY (“STD”), AND LONG TERM DISABILITY (“LTD”) FOR THE CHA’S EMPLOYEE HEALTH BENEFIT PLAN”.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to enter into contracts with the following insurance providers for the Chicago Housing Authority’s (“CHA”) Employee Health Benefit Plan covering eligible participants of the CHA and eligible participants of the CHA’s affiliates for the benefit year of January 1, 2014 through December 31, 2014: (1) Blue Cross Blue Shield medical in an amount not-to-exceed \$6,114,141.00 plus \$254,754.00 for Healthcare Reform Taxes & Fees associated with the Affordable Care Act for a total of \$6,365,895.00; (2) Guardian dental in an amount not-to-exceed \$268,129.00; and (3) Guardian AD&D, Life, STD and LTD in an amount not-to-exceed \$244,222.00 for a total aggregate amount not-to-exceed \$6,881,246.00 for FY2014. For FY 2015, subject to funding availability, it is recommended that CHA, at the discretion of the CEO, exercise the first option year with Guardian for AD&D, Life, STD and LTD an amount not-to-exceed \$244,222.00, and for FY 2016 it is recommended that CHA at the discretion of the CEO exercise the second option year with Guardian for AD&D, Life, and LTD in an amount not-to-exceed \$157,869.20.

(Item 11)

The resolution for Item 11, approves obtaining a Secured Revolving Loan Facility from BMO Harris Bank N.A. This loan facility borrowing is not-to-exceed \$20 million for a term of 60 months. The interest rate is not-to-exceed 3.5%. Funds will be borrowed or line accessed only when needed for purchases or rehabilitation of properties as identified by CHA plan for acquisition of units. Acquisition transaction and related financing terms along with specific collateral identification in connection with this credit facility shall be subject to CHA Board of Commissioners approval. HUD approval will be obtained prior to pledging collateral sourced with Federal cash, securities or land obtained with Federal funds. BMO Harris Bank N.A. is the Authority’s primary cash management bank and has consistently provided best practice service delivery in a full range of banking products and services. Their commitment to Plan Forward is evident in this facility as the credit terms contemplate a wide range of options with respect to collateral/term and pricing. The CHA plan for acquisition of units can be greatly enhanced by exercising appropriate financing options contained in this loan commitment.

RESOLUTION NO. 2013-CHA-91

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 09, 2013 entitled “AUTHORIZATION TO OBTAIN A \$20 MILLION SECURED REVOLVING LOAN FACILITY FROM BMO HARRIS BANK N.A. TO SUPPORT

THE CHA PLAN FOR ACQUISITION OF UNITS AT AN INTEREST RATE NOT-TO-EXCEED 3.5% FOR A PERIOD NOT-TO-EXCEED 60 MONTHS WITH HUD APPROVAL REQUIRED TO PLEDGE COLLATERAL SOURCED WITH FEDERAL CASH, SECURITIES AND/OR LAND OBTAINED WITH FEDERAL FUNDS.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT The Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) obtain a Secured Revolving Loan Facility from BMO Harris Bank N.A. This loan facility borrowing is not-to-exceed \$20 million or a term of 60 months. The interest rate is not-to-exceed 3.5%. Funds will be borrowed or line accessed only when needed for purchases or rehabilitation of properties as identified by CHA plan for acquisition of units. Acquisition transaction and related financing terms along with specific collateral identification in connection with this credit facility shall be subject to CHA Board of Commissioners approval. HUD approval will be obtained prior to pledging collateral sourced with Federal cash, securities or land obtained with Federal funds; 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

The Secured Revolving Loan supports the CHA plan for acquisition of units.

(Item 12)

The resolution for Item 12 approves the second one year option of contract with Ernst and Young, LLP (E&Y) for a firm fixed price of \$779,300 to provide independent professional auditing services. In November 2010, the Authority entered into an agreement with E&Y for professional independent auditing services. E&Y has a proven track record of completing assignments in a timely manner while providing the necessary resources to meet critical CHA reporting requirements. E&Y has provided CHA guidance with implementing new Governmental Accounting Standard Board pronouncements and HUD reporting regulations. E&Y's continued participation in the evolving Real Estate Assessment Center and MTW reporting requirements is crucial for the Authority to meet its reporting requirement to HUD.

RESOLUTION NO. 2013-CHA-92

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 9, 2013 entitled "Authorization to exercise a one-year option to extend contract Number 11007 with Ernst & Young, LLP for Independent Auditing Services,"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute Amendment No. 3 to Contract No. 11007 with Ernst & Young, LLP to exercise the second one-year option to provide independent professional auditing services for the period of November 11, 2013 until November 10, 2014 for firm fixed fee of \$779,300.00. The contract's new aggregate compensation will be in the amount of \$2,962,600.00.

This award is subject to the Contractor's compliance with the CHA's applicable MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.

The Motion to adopt resolutions for Item 9, 10, 11 and 12 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Adela Cepeda
Dr. Mildred Harris
Harriet Johnson
Myra King
Jack Markowski
Bridget Reidy
Rodrigo Sierra
Z. Scott

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Chairwoman Scott then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the October 15, 2013, meeting of the Board of Commissioners was adjourned at approximately 10:05 a.m.

s/b: Z. Scott
Chairwoman, Chicago Housing Authority

s/b: Lee Chuc-Gill, Secretary
Custodian and Keeper of Records